

MINUTE BOOK XXVIII, PAGES 40-44
BUDGET WORKSHOP OF THE TROUTMAN TOWN COUNCIL
April 17, 2019

A Budget Workshop of the Troutman Town Council was held in the Troutman Town Hall, 400 North Eastway Drive, North Carolina on April 17, 2019 at 2:00 p.m. with the Mayor Pro Tem Paul Henkel presiding in the absence of Mayor Teross W. Young, Jr.

Council Members Present: Judy Jablonski, Paul Henkel, Janith Huffman, Sally Williams, Paul Bryant.

Staff Present: Justin E. Longino, Town Manager; Kimberly H. Davis, Town Clerk; Steve H. Shealy, Finance Director; Matthew A. Selves, Police Chief; Adam K. Lippard, Public Works Manager, Gary W. Thomas, Town Attorney.

Press Present: Debbie Page, SVL Free News

ITEM 1. MAYOR PRO TEM HENKEL CALLED THE MEETING TO ORDER

- **ADJUSTMENTS TO THE AGENDA**

Add Closed Session Pursuant to NCGS 143-318.11(a)(3) to Consult with Attorney; and add Consider Action to Oppose SB367 Clarify Property Owners Rights; HB675 Building Code Regulation Reform, and SB355 Land Use Regulatory Changes

Upon motion by Council member Huffman, seconded by Council member Jablonski, and unanimously carried, the above listed adjustments to the agenda was approved.

- **A. Consider Action to Oppose SB367 Clarify Property Owners Rights; HB675 Building Code Regulation Reform, and SB355 Land Use Regulatory Changes**

Council member Huffman briefly highlighted the key issues in each of the above listed bills:

- SB 367 undermines local authority and harms local visions of community character that are critical to economic development and residents' quality of life. If passed, it would do away with landscape buffers that are required in the UDO causing significant changes (re-writes) to the UDO.
- HB 675 mandates a two-day turn around to review residential building plans submitted under the seal of an engineer or architect and five days for residential plans submitted by other persons which might be difficult when the Town has one planner and a contracted engineering firm, and prohibits cities to bury power lines and from requiring a minimum square footage for residential structures.
- SB 355 changes allow a property owner to bypass the local Board of Adjustment and file actions to the Superior and Federal Courts on certain types of legal claims which could increase what the Town spends on legal issues. Furthermore, the property owner can continue the development process while challenging a local decision in court.

Upon motion by Council member Huffman, seconded by Council member Jablonski, and unanimously carried, approved to authorize of Justin Longino, Town Manager to write a letter to local Representatives and Senator in opposition to these bills.

- **Call for Closed Session Pursuant to NCGS 143-318.11(a)(3) to Consult with Attorney**

Mayor Pro Tem Henkel called for a closed session pursuant to NC General Statute 143-318.11(a)(3) to consult with an attorney.

*Upon motion by Council member Huffman, seconded by Council member Jablonski, and unanimously carried, approved to hold a closed session pursuant NCGS 143-318.11(a)(3) to consult with an attorney.

Along with Town Council, Mayor Pro Tem asked that Justin Longino, Town Manager; Kimberly Davis, Town Clerk; Gary W. Thomas, Town Attorney to join the Closed Session; Mayor Teross Young joined the Closed Session via cellphone conference.

Mayor Pro Tem Henkel Opened the Closed Session.

*****MINUTES OF CLOSED SESSION HAVE BEEN SEALED UNTIL SUCH TIME PUBLIC INSPECTION WILL NO LONGER FRUSTRATE THE PURPOSE OF THE CLOSED SESSION*****

Closing of the Closed Session and Reconvene Open Session

Upon motion by Council member Huffman, seconded by Council member Bryant, and unanimously carried, approved to reconvene open session.

ITEM 2. DISCUSSION OF THE 2019/2020 FISCAL YEAR PROPOSED BUDGET

Town Manager Justin Longino highlighted the following new request and/or changes that are being proposed in the Town of Troutman 2019-2020 FY Budget:

- For estimation purposes, a cumulative 5% has been budgeted for all employees which is the same as the last two years with a breakdown of 2% COLA and an up to 3% based on performance evaluations. On the salary pages, the 5% increase is shown, but may not necessarily be the actual final salary. The across the board increase will also allow for a buffer or surplus of funds in the event that additional funds are needed after the MAPS Group has completed the pay study; advising that the MAPS Group is approximately 2 weeks out from completing the first phase of salary evaluations..
- The Town has received notification of a 15% increase in health insurance which is reflected in the departmental budgets, and another 15% increase in retirement rates.
- Increase of funds in the following areas in anticipation of projects of action steps around Strategic Master Planning:
 - ❖ Planning and Zoning/Special Projects line item - \$30,000 (sidewalks, greenways, landscape lighting, etc.). This line item would allow more flexibility for items/projects from the Strategic Master Plan that the Town may want to implement.
 - ❖ Transfers to Other Funds (*Capital Reserve Funds*)
 - . Facilities - \$70,000 increase from current year. These funds are restricted to the use of any Town facility and use of the funds must be approved by Town Council.
 - . Economic Development - \$70,000 increase from current year. These funds are restricted to the use of any economic development related activity or project and use must be approved by Town Council.
 - . Industrial Recruitment - \$10,000 increase from current year. These funds are restricted to the use of industrial recruitment and must be approved by Town Council.
 - . Greenway Fund - \$100,000. Budgeted for the Richardson Greenway South and Talley Street Sidewalk project.

- ❖ Economic Development (*Current Expenses*)
 - Industrial Recruitment - \$2,000
 - Downtown Enhancement - \$25,000
 - Capital Outlay Land - \$180,000. These funds can be used to purchase property and ROW along Lytton Street or other land purchases.
- Street Maintenance Department:
 - ❖ Patching/Paving Contracted - \$20,000 to cover small area repairs. The upcoming street improvement project will repair the largest problem areas.
 - ❖ Street Sweeping - \$18,000 (an increase of approximately \$2,000 to cover additional expenses that may occur).
- Debt Service:
 - ❖ Police Vehicles Principle \$39,881. Interest \$2,393.
 - ❖ 2018 Street Improvement Project Principal-\$110,000. Interest-\$25,000. These funds are approximated as bids and loan information has not yet been received, but the project is expected to start at the end of 2019.
- Capital Expenditures:
 - ❖ Police Vehicles \$80,000. Request is for two new patrol vehicles to replace older vehicles in the fleet. Mileage of both vehicles is over 200,000.
- Capital Items – Utility Fund:
 - ❖ Capital Outlay – Equipment - \$60,000. Request for a Ford F-450 “pump truck”, dual wheeled, utility bed, 5,000 pound hoist for pulling pump station pumps. It will replace the 2005 red Silverado crew truck that has over 200,000 in mileage. The new truck will be used on a daily basis as a crew/service truck.

Council requested to review each department individually. Town Manager Longino highlighted significant proposed changes as follows:

General Fund Revenues

*Ad Valorem Taxes – Council member Bryant pointed out that the requested total is approximately 11.2% increase over projected final. Finance Director Steve Shealy stated that this is a re-evaluation year and there is a lot of growth.

*Occupancy Tax – Council member Henkel questioned the reason \$0.00 is proposed, commenting that there may be Airbnb’s that the Town is not aware of.

*ABC Profit Distribution - Council member Henkel asked if the proposed total of \$50,000 is realistic. Finance Director Shealy stated that he checked with ABC Board Chairman Layton Getsinger who projected \$58,000. Mr. Shealy commented he leaned toward the conservative side requesting \$50,000.

*Planning Review Fees and Rezoning Application Fees - Finance Director Shealy explained that the Town bills out its actual cost and stated that the totals (\$45,000 and \$2,500) are projected on the conservative side. He does not like to overestimate on revenues. Council member Henkel suggested with consensus from Council of establishing an Administrative Fee of 5% to cover future growth. Finance Director Shealy to add 5% Administrative Fee to the Town’s fee schedule.

General Fund Summary

*Planning and Zoning – Council member Bryant questioned the 120% increase from projected final. Town Manager Longino stated that the S.W. Bypass Study is \$125,000 of the requested \$362,367. Council member Bryant asked if half of the study is funded through a grant, why is the full amount budgeted. Finance Director Shealy stated that the Town has to budget the full amount that is to be spent even when half is paid for by grant funding.

Governing Body

*Training - Council member Bryant asked why the increase in training from projected final of \$500 to the requested total of \$5,000. Finance Director Shealy stated in anticipation of the election this Fall and the Essentials of Government Course for elected officials. Town Manager Longino stated that the training for the Planning Board and Board of Adjustment is also in this line item.

*Advertising - Council member Bryant asked what is under advertising. Town Manager Longino and Finance Director Shealy responded all advertisements i.e. public hearings, public/special meeting announcements, job advertisements, etc.

*Dues & Subscriptions - Council member Bryant asked why \$15,000 is being requested. Finance Director Shealy to check the breakdown of the line item for Council.

Planning and Zoning

*Contracted Services - \$125,000 of which \$100,000 is for the Southwest Bypass Study, Code Enforcement contracted through N-Focus, and Dude Solutions.

*Professional Services - \$75,000 requested for plan reviews and a retainer paid to West Consultants.

*Special Projects - \$30,000 for Strategic Master Plan projects such as streetscaping, landscape lighting, etc.

Street Maintenance

*Contracted Services - Council member Bryant asked what consist of Contracted Services. Finance Director Shealy responded snow removal and Powell Bill preparation. Line item is the same as last year \$9,000.

Parks and Recreation

*Park Upgrades - \$20,000 (same as this year's budget) proposed for any additional upgrades/enhancements to the park.

*Contracted Services - \$10,000 proposed for cleaning company or part time person to assist in cleaning restrooms.

*Special Events - \$22,000 proposed. Council member Bryant asked if the Town receives any revenue from special events. Finance Director Shealy responded that some of it is, but not a direct correlation. Some would have revenue offset.

Economic Development

*Tax Grant Incentives - \$21,200 is the tax grant incentive for CR Onsrud.

Council member Bryant asked Town Manager Longino if he knows what ridership is out of Troutman stop. Town Manager Longino responded no, but he would check with Brad Johnson, Director of ICATS.

Capital Expenditures

*Police Vehicles - \$80,000 proposed for two police SUV's (Employers).

Mayor Pro Tem Henkel asked what the current percentage of the fund balance is. Finance Director Shealy responded that it is over 38% (state requirement is 8%), current total in the fund balance is approximately \$1.4 million.

Utility Fund Revenues

*Transfer from other Funds - \$233,220 funds set aside in anticipation of purchasing another block of sewer capacity from Mooresville or for future water and/or sewer expansion projects.

(Copied in full, proposed budget is filed on CD titled: "Town Council Supporting Documents" dated April 17th and April 17th, 2019 in CD Book #1 titled: "Town Council Supporting Documents")

Call for Closed Session Pursuant to NCGS 143-318.11(a)(6) to Discuss Personnel

Mayor Pro Tem Henkel called for a closed session pursuant to NC General Statute 143-318.11(a)(6) to discuss personnel.

Upon motion by Council member Williams, seconded by Council member Bryant, and unanimously carried, approved to hold a closed session pursuant NCGS 143-318.11(a)(6) to discuss personnel.

Along with Town Council, Mayor Pro Tem Henkel asked that Justin Longino, Town Manager; Gary W. Thomas, Town Attorney to join the Closed Session.

Mayor Pro Tem Henkel Opened the Closed Session.

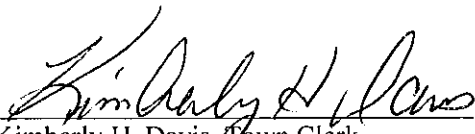
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Closing of the Closed Session and Reconvene Open Session

Upon motion by Council member Jablonski, seconded by Council member Huffman, and unanimously carried approved to reconvene open session.

ITEM 3. ADJOURNMENT

Upon motion by Council member Huffman, and seconded by Council member Jablonski, and unanimously carried, the Budget Workshop of April 17, 2019 was adjourned at 4:10 p.m.


Kimberly H. Davis, Town Clerk


W. Paul Henkel, Mayor Pro Tempore

